



**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-3873  
PHONE: (213) 974-8301 FAX: (213) 626-5427

WENDY L. WATANABE  
AUDITOR-CONTROLLER

MARIA M. OMS  
CHIEF DEPUTY

ASST. AUDITOR-CONTROLLERS

ROBERT A. DAVIS  
JOHN NAIMO  
JUDI E. THOMAS

June 16, 2009

TO: Supervisor Don Knabe, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe *Maria Oms*  
Auditor-Controller

SUBJECT: **DEPARTMENT OF HEALTH SERVICES HARRIS-RODDE  
SETTLEMENTS – AVERAGE LENGTH OF STAY AND EMERGENCY  
DEPARTMENT BOARDING TIME REVIEW FOR THE QUARTER  
ENDED DECEMBER 31, 2008**

At the request of the Department of Health Services (DHS), we reviewed LAC+USC Medical Center's (LAC+USC) compliance with the requirements of the Harris-Rodde lawsuit settlements for the quarter ended December 31, 2008. Our review confirmed that LAC+USC did not meet the Average Length of Stay (ALOS) requirement, but did meet the Emergency Department Boarding Time (EDBT) requirement. County Counsel (Counsel) has advised that, because LAC+USC is not eliminating any additional beds, the failure to meet the ALOS target does not impact the County at this time. However, Counsel also advised that if LAC+USC continues to not meet the ALOS target of 5.6 days, the County may be required to open additional beds at other DHS facilities or contract for additional beds at private hospitals.

**Background**

In December 2005, the County settled lawsuits with plaintiffs Harris and Rodde regarding reducing the number of beds at the LAC+USC replacement facility to 600 non-psychiatric beds. Under the settlements, LAC+USC was allowed to immediately reduce 25 budgeted, non-psychiatric beds. LAC+USC was also allowed to reduce an additional 35 budgeted, non-psychiatric beds for each quarter LAC+USC reduces the ALOS by 0.3 days, compared to the previous quarter (from an initial baseline of 6.5

days), and maintains a median Emergency Department Boarding Time (EDBT) under seven hours. The settlement agreements require the Auditor-Controller to verify the ALOS and EDBT when LAC+USC reports that they have met the targets. We previously reported that LAC+USC had accurately reported meeting the ALOS and EDBT requirements for the quarter ended December 31, 2006, the quarters ended March 31, June 30, and December 31, 2007, and the quarters ended March 31, June 30, and September 30, 2008. We reported that LAC+USC did not meet the ALOS requirement for the quarter ended September 30, 2007. Our review of LAC+USC's compliance with EDBT requirements was limited to the visits for which LAC+USC had the documentation needed to validate the patients' EDBT.

Counsel previously informed us that, once LAC+USC met the ALOS target of 5.5 days, no further reductions of ALOS would be required. However, since LAC+USC has achieved the 600 bed level, the ALOS target has been adjusted to 5.6 days. Counsel has advised the plaintiffs that LAC+USC will maintain an ALOS of 5.6 days or less and a median EDBT under seven hours through the December 31, 2009 end of the settlement agreements.

LAC+USC moved into its new facility on November 7, 2008. We verified that the move did not result in any changes to the process for reporting ALOS and EDBT data that would affect our review of the Facility's compliance with the settlement agreements.

### **Review of Reported ALOS**

ALOS is the average time between when patients are admitted and when they are discharged from the hospital. LAC+USC records both the admission and discharge on the Hospital's Affinity computer system (Affinity).

For the quarter ended December 31, 2008, LAC+USC reported an ALOS of 5.7 days, which did not meet the requirements of the settlement agreements, since the reported ALOS exceeds 5.6 days and increased by 0.3 days compared to the prior period. The settlement agreements indicate that if the ALOS increases by 0.2 days or more for a period of 90 days, certain conditions must be met before further bed reductions can be made. However, DHS and Counsel indicated that no further bed reductions are taking place at this time. Therefore, the increase in ALOS during the quarter ended December 31, 2008 does not affect the County at this time. Counsel also advised that if LAC+USC continues to not meet the ALOS target of 5.6 days, the County may be required to open additional beds at other DHS facilities or contract for additional beds at private hospitals.

We reviewed a random statistical sample of 58 records for the quarter ended December 31, 2008 to determine if LAC+USC had accurately reported the ALOS on Affinity. Our review indicates that LAC+USC accurately reported the ALOS.

### **Review of Reported EDBT**

EDBT is the time between when an Emergency Department (ED) physician writes an order for a patient to be placed in an inpatient bed (pre-admit date/time) and when the patient is actually placed in the bed (ED discharge date/time).

For the quarter ended December 30, 2008, LAC+USC reported a median EDBT of four hours. To ensure that LAC+USC included all visits that are subject to the EDBT requirement, we tested a random statistical sample of 103 visits that were excluded from the median EDBT calculation to determine if the visits were properly excluded (e.g., patients who were not admitted as inpatients or were admitted from an outpatient clinic should be excluded from the calculation). We noted that all visits in our sample were appropriately excluded from the EDBT calculation.

We reviewed a random statistical sample of 90 visits to verify the EDBT reported on Affinity. We noted that the EDBT for two visits (2%) did not agree to the source documents we reviewed. Specifically:

- For one visit (1%), the source documents we reviewed showed a longer EDBT than was recorded on Affinity. The EDBT on Affinity for the visit was understated by 0.50 hours.
- For one visit (1%), the source documents we reviewed showed a shorter EDBT than was recorded on Affinity. The EDBT on Affinity for the visit was overstated by 0.83 hours.

Overall, our sample of 90 visits showed an EDBT equal to the EDBT recorded on Affinity, 4.13 hours.

DHS and LAC+USC management cooperated during our review and actively participated in the review process. Please call me if you have any questions, or your staff may contact Jim Schneiderman at (213) 253-0101.

WLW:MMO:JLS:MWM

c: William T Fujioka, Chief Executive Officer  
John F. Schunhoff, Ph.D., Interim Director, DHS  
Robert E. Kalunian, Acting County Counsel  
Public Information Office  
Audit Committee